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GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

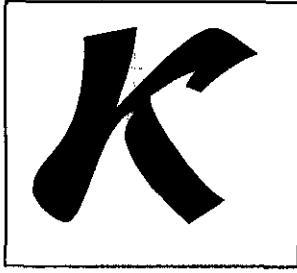
FINANCIAL REPORT
JUNE 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3-9-05

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Roland D. Kraushaar

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INDEPENDENT AUDITOR'S REPORT

J. ELRAY LEMOINE, CLERK
GRANT PARISH CLERK OF COURT
Colfax, Louisiana

I have audited the financial statements of the GRANT PARISH CLERK OF COURT as of June 30, 2004, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the GRANT PARISH CLERK OF COURT's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the GRANT PARISH CLERK OF COURT as of June 30, 2004, and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

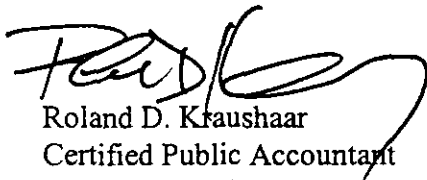
In accordance with Government Auditing Standards, I have also issued a report dated February 17, 2005 on my consideration of the Clerk of Court's internal control over financial reporting and my tests of its compliance with laws and regulations.

As described in note 2 to the basic financial statements, the Commission adopted the provisions of Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments*; Statement No.

37, *Basic Financial Statements - For State and Local Governments, Omnibus*; and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Statements*, as of July 1, 2003, This results in a change in the format and content of the basic financial statements.

The management's discussion and analysis (pages 3 through 5) and budgetary comparison (pages 17 through 18) are not a required part of the basic financial statement, but are supplementary information required by the Governmental Accounting Standards Board. I have applied procedures, which consisted principally of inquiries of management regarding the method of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion to it.

My audit was made for the purpose of forming an opinion on the financial statements that comprise the Clerk of Court's basic financial statements. The accompanying other supplemental information on pages 16 through 23 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



Roland D. Kraushaar
Certified Public Accountant
February 17, 2005.

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

Management Discussion and Analysis (MD&A)
June 30, 2004

The discussion and analysis of GRANT PARISH CLERK OF COURT's financial performance provides an overall review of the Clerk of Court's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the Clerk of Court's financial performance as a whole; readers should also review the financial statements and notes to the financial statements to enhance their understandings of the Clerk of Court's financial performance.

BASIC FINANCIAL STATEMENTS

The *Financial Statements* are designed to provide readers with a broad overview of the GRANT PARISH CLERK OF COURT's finances in a manner similar to private sector business.

The *Statement of Net Assets* focuses on resources available for future operations. In simple terms, this statement presents a snap-shot view of the assets the Commission, the liability it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts.

The *Statement of Activities* focuses gross and net costs of the Clerk of Court's programs and the extent to which such programs rely upon general revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

Our basic financial statements are prepared using governmental fund statements which follow the more traditional presentation of financial statements.

The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Clerk of Court's financial conditional.

The MD&A is intended to explain the significant changes in financial position and differences in operation between the current and prior years. To be an accurate presentation, the prior year would

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

Management Discussion and Analysis (MD&A)
(Continued)

June 30, 2004

have to be restated to the new reporting format. The Clerk has chosen to not restate the prior year. Nevertheless when possible, significant changes from the prior year are explained in the following paragraphs.

CONDENSED FINANCIAL INFORMATION

Condensed financial information from the statements of net assets and revenues as of June 30, 2004 and expenses and changes in net assets for the year ended June 30, 2004 are as follows:

Current and other assets	\$ 300,175.69
Capital assets(net)	<u>72,516.87</u>
Total assets	\$ 372,752.56
Current liabilities	<u>65,646.58</u>
Total liabilities	<u>\$ 65,646.58</u>
Net assets:	
Invested in capital assets(net)	\$ 19,174.47
Unrestricted	<u>287,931.51</u>
Total net assets	<u>\$3 07,105.98</u>
Revenue:	
Fees for service	\$ 595,124.57
Clerk's Supplemental grants	15,300.00
Interest earned	<u>4,461.86</u>
Total revenues	<u>\$ 614,886.43</u>
Expenses:	
Recording and certifications	\$ 421,223.88
Elections	18,069.17
General administration	102,349.08
Unallocated depreciation	35,613.01
Programs	<u>5,262.72</u>
Total expenses	<u>\$ 582,517.86</u>
Excess of revenues over expenses	<u>\$ 32,368.57</u>

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

Management Discussion and Analysis (MD&A)
(Continued)

June 30, 2004

Increase (decrease) in net assets	\$ 32,368.57
Beginning of year net assets as restated	<u>274,737.41</u>
End of year net assets	<u>\$ 307,105.98</u>

Capital Assets

The Clerk's capital assets as of June 30, 2004 amounted to \$72,576.87 (net of accumulated depreciation). This investment in capital assets includes office furniture, equipment and computers. Net capital asset additions amounted to \$1,229.12 for additional computer equipment.

The Clerk of Court acquires its assets primarily with local funds from service fees.

Variations Between Original and Final Budgets

No amended budget was adopted; therefore the budget presented is the only one adopted.

Contacting the GRANT PARISH CLERK OF COURT's Management

This financial report is designed to provide a general overview of the Clerk of Court's finances with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to J. Elray Lemoine, Clerk of Court, GRANT PARISH CLERK OF COURT, P.O. Box 203, Colfax, La. 71417.

**GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA**

STATEMENT OF NET ASSETS

June 30, 2004

ASSETS

Cash and equivalents	\$ 259,570.11
Accounts receivable	12,263.64
Due from others	1,275.00
Due from Grant Parish Police Jury	23,265.44
Due from other funds	3,801.50
Furniture and equipment	<u>72,576.87</u>
Total assets	<u>\$ 372,752.56</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 6,554.75
Payroll taxes withheld	1,661.26
Due to other funds	4,028.17
Capital leases payable	<u>53,402.40</u>
Total liabilities	<u>\$ 65,646.58</u>

FUND BALANCES

Invested in capital assets(net of debt)	\$ 19,174.47
Reserved for long-term receivables	8,545.44
Unreserved/undesignated	<u>279,386.07</u>
Total fund balance	<u>\$ 307,105.98</u>
Total liabilities and fund balance	<u>\$ 372,752.56</u>

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

STATEMENT OF ACTIVITIES
JUNE 30, 2004

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS
Governmental Activities			
Recording and certifications	\$ 421,223.88	\$ 577,236.60	\$ 156,012.72
Elections	\$ 18,069.17	\$ 17,887.97	\$ (181.20)
General administration	\$ 102,349.08	\$ -	\$ (102,349.08)
Unallocated depreciation	\$ 35,613.01	\$ -	\$ (35,613.01)
interest on debt service	\$ 5,262.72	\$ -	\$ (5,262.72)
Total Governmental Activities	<u>\$ 582,517.86</u>	<u>\$ 595,124.57</u>	<u>\$ 12,606.71</u>

General Revenues		
Clerk's Supplemental Grant		\$ 15,300.00
Interest earned		<u>\$ 4,461.86</u>
Total General Revenues		<u>\$ 19,761.86</u>
Excess(Deficiency) if Revenues over Expenses		\$ 32,368.57
Net Assets - July 1, 2003		<u>\$ 274,737.41</u>
Net Assets - June 30, 2004		<u>\$ 307,105.98</u>

**GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA**

BALANCE SHEET

June 30, 2004

ASSETS

Cash and equivalents	\$ 259,570.11
Accounts receivable	12,263.64
Due from others	1,275.00
Due from Grant Parish Police Jury	23,265.44
Due from other funds	<u>3,801.50</u>
Total assets	<u>\$ 300,175.69</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 6,554.75
Payroll taxes withheld	1,661.26
Due to other funds	<u>4,028.17</u>
Total liabilities	<u>\$ 12,244.18</u>

FUND BALANCES

Reserved for long-term receivables	8,545.44
Unreserved/undesignated	<u>279,386.07</u>
Total fund balance	<u>\$ 287,931.51</u>
Total liabilities and fund balance	<u>\$ 300,175.69</u>

**GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA**

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS**

June 30, 2004

Total Fund Balances-Governmental Funds	\$	287,931.51
Cost of Capital Assets at June 30, 2004	\$	305,442.23
Less Accumulated Depreciation as of June 30, 2004	\$	<u>(232,865.37)</u>
		72,576.86
Long -term Liabilities at June 30, 2004		<u>(53,402.39)</u>
Total Net Assets at June 30, 2004-Governmental Activities	\$	<u>307,105.98</u>

**GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2004**

REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Recording	\$ 138,481.00	\$ 195,080.05	\$ 56,599.05
Cancellations	3,104.00	3,868.00	764.00
Mortgage certificates	6,425.00	12,418.40	5,993.40
Marriage licenses	2,500.00	3,350.00	850.00
Notarial fees	1,169.00	940.00	(229.00)
Civil suits	152,600.00	249,189.13	96,589.13
Copies	30,186.00	36,596.84	6,410.84
Preparation of deeds	3,256.00	4,524.00	1,268.00
Election expense	8,000.00	17,887.97	9,887.97
Criminal fees	19,594.00	32,044.21	12,450.21
Clerk's certificates	900.00	1,306.50	406.50
Research fees	1,100.00	2,100.00	1,000.00
URESAs filing fees	7,525.00	15,029.12	7,504.12
Miscellaneous	3,828.00	28,418.42	24,590.42
UCC filings	7,500.00	7,671.93	171.93
Interest	2,300.00	4,461.86	2,161.86
Total revenues	<u>\$ 388,468.00</u>	<u>\$ 614,886.43</u>	<u>\$ 226,418.43</u>
EXPENDITURES			
Personnel and benefits	\$ 342,827.00	\$ 358,675.04	\$ (15,848.04)
Office expenses	70,473.00	90,134.97	(19,661.97)
Insurance and bonds	82,000.00	73,139.75	8,860.25
Filing fees	29,191.00	3,523.03	25,667.97
Auto expense	6,500.00	4,395.28	2,104.72
Legal and professional fees	5,500.00	9,750.00	(4,250.00)
Miscellaneous expenses	16,318.00	2,024.06	14,293.94
Capital outlay	-	1,229.12	(1,229.12)
Debt service Principal	-	16,597.82	(16,597.82)
Debt service Interest	-	5,262.72	(5,262.72)
Total expenditures	<u>\$ 552,809.00</u>	<u>\$ 564,731.79</u>	<u>\$ 11,166.87</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (164,341.00)</u>	<u>\$ 50,154.64</u>	<u>\$ 215,251.56</u>
NET ASSETS			
Beginning of the year	<u>164,341.00</u>	<u>237,776.87</u>	<u>73,435.87</u>
End of the year	<u>\$ -</u>	<u>\$ 287,931.51</u>	<u>\$ 288,687.43</u>

**GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA**

**RECONCILIATION OFF GOVERNMENTAL FUNDS - STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
June 30, 2004**

Total Net Changes in Fund Balance - Governmental Funds		\$ 50,154.64
Capital Assets		
Capital Outlay capitalized	\$ 1,229.12	
Depreciation Expense for the Year Ended June 30, 2004	<u>\$ 35,613.01</u>	(34,383.89)
Long-term Debt		
Principal portion of debt service payments		<u>16,597.82</u>
Changes in Net Assets - Governmental Activities		<u>\$ 32,368.57</u>

**GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA**

**STATEMENT OF FIDUCIARY NET ASSETS
June 30, 2004**

ASSETS

Cash and cash equivalents	\$	875,918.96
Other receivables	\$	1,452.00
Due from other funds	\$	9,028.17
Total Assets	\$	<u>886,399.13</u>

LIABILITIES

Due to other funds	\$	8,801.50
Other liabilities	\$	170.00
Unsettled deposits	\$	<u>887,427.63</u>
Total Liabilities	\$	<u>896,399.13</u>

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - GENERAL INFORMATION

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk of Court serves as the ex-officio notary public; the recorder of conveyances, mortgages, and other acts; and has other duties and powers provided by law. The Clerk of Court is elected for a four year term.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

The accounting and reporting practices of the GRANT PARISH CLERK OF COURT, conform to generally accepted accounting principles (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic financial Statements and Management's Discussion and Analysis - for State and Local Governments* issued June, 1999. The following is a summary of certain significant accounting policies and practices.

A. FINANCIAL REPORTING ENTITY

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Clerk of Court is considered a primary government, since it is a special purpose government that has a separately elected governing body having ultimate accountability to the electorate, has a separate legal standing and is fiscally independent of other state and local governments. As used in GASB Statement No. 14 fiscally independent means that the Clerk may, without the approval or consent of another governmental entity, determine or modify its own budget, set rates and charges. The Clerk has no component units, as defined by GASB Statement No. 14 as other legally separate organizations for which the elected Clerk is financially accountable. There are no other primary governments with which the Clerk has a significant relationship.

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

June 30, 2004

B. FUND ACCOUNTING

The financial transactions of the GRANT PARISH CLERK OF COURT are recorded in the general fund which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenue and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The fund presented in the financial statements in this report are as follows:

Governmental Funds

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and accounts for the operations of the Clerk's office. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Agency Funds

The Advance Deposit, Registry of the Court, and Child Support Agency Funds account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Governmental funds account for all of the Clerk of Court's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets, and the servicing of general long-term debt. The Clerk of Court has one governmental fund.

C. BASIS OF PRESENTATION

The Clerk of Court's Basic Financial Statements consist of the government-wide statements.

The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. Private sector standards of accounting and financial reporting issued prior to December 31, 1898, generally are followed in both the government-wide financial statements and proprietary fund financial statements to the extent that those standards do not conflict or contradict guidance of the GASB.

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

June 30, 2004

D. BASIS OF ACCOUNTING

Government-Wide Financial Statements(GWFS)

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Clerk of Court.

The GWFS were prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting the exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB No.33, *Accounting and reporting for Non-exchange Transactions*.

Program Revenues

The Clerk of Court receives its monies through fees for service and interest income.

Allocation of Indirect Expenses

The Clerk of Court reports all direct expenses by function in the Statement of Net Activities. Direct expenses are those that are clearly identifiable by function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities.

E. BUDGET POLICY

The budget for the year ended June 30, 2004 was adopted in July 2003. The budget was prepared on the modified accrual basis of accounting. All appropriations lapse at year end and must be re-appropriated during the following year to be expended. Budget amounts included in the accompanying financial statements are the originally adopted budget. There was no amended budget adopted.

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

June 30, 2004

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Clerk of Court as an extension of formal budgetary integration in the funds.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in an interest bearing demand deposit. Interest is credited monthly to the interest account.

H. COMPENSATED ABSENCES

The Clerk of Court has the following policy relating to vacation and sick leave:

Full-time employees receive 10 days of non-cumulative vacation leave annually and, depending upon length of service, from 12 to 18 days of sick leave annually. Sick leave can be accumulated without limitation, but there is no provision for payment of accumulated sick leave upon termination or retirement. At June 30, 2004, there are no accumulated and vested benefits relating to vacation and sick leave.

I. CAPITAL ASSETS

Capital assets are capitalized at historical costs. Capital assets are depreciated using the straight-line method over the estimated useful lives. No salvage value has been taken into consideration since surplus assets are sold for immaterial amounts. Useful lives range from 5 to 10 years for equipment.

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

June 30, 2004

NOTE 3 - CHANGES IN GENERAL FIXED ASSETS

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. At June 30, 2004 all fixed assets were recorded based upon historical cost.

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>July 1,</u> <u>2003</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance</u> <u>June 30,</u> <u>2004</u>
Furniture and equipment	\$265,847.95	\$ 39,594.28	-	\$ 305,442.43

NOTE 4 - DEPOSITS

The GRANT PARISH CLERK OF COURT maintains cash in various checking accounts, savings accounts, certificates of deposits and the Louisiana Asset Management Pool. All such accounts are treated as cash or cash equivalents since they are subject to being withdrawn at any time. At year end, the carrying amount of the Clerk's deposits were \$ 1,135,239.05 and the bank balance was \$ 1,225,967.40. Of the bank balance, \$247,647.46 was covered by federal depository insurance. The remaining \$ 991,996.83 was covered by pledged securities held by the fiscal agents (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk of Court that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 5 - RETIREMENT COMMITMENTS

Substantially all employees of the Grant Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

June 30, 2004

All regular employees earning at least \$100 per month who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute. Contributions to the System include one-fourth of one per cent (one-half of one per cent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each Parish. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer's contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

NOTE 6 - CONTINGENT LIABILITIES

At June 30, 2004 the Clerk was not involved in litigation.

NOTE 7 - CHANGE IN ACCOUNTING PRINCIPLES

For the year ended June 30, 2004, the Commission has implemented GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions* and GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. At June 30, 2004 there was no effect on fund balance as a result of implementation of GASB Statement No. 33. GASB Statement No. 34 creates new basic financial statements for reporting on the Clerk of Court's financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, than by fund type which had been the method of presentation in previously issued financial statements.

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
(Continued)

June 30, 2004

NOTE 7 - CHANGE IN ACCOUNTING PRINCIPLES(Continued)

The implementation of GASB Statement No. 34 caused the opening fund balance at July 1, 2003 to be restated in terms of Net Assets as follows:

Governmental Fund's Fund Balance, June 30, 2003		\$ 246,383.09
Cost of Capital Assets at June 30, 2003	\$264,618.83	
Less Accumulated Depreciation as of June 30, 2003	<u>197,252.36</u>	67,366.47
Long-term Liabilities at June 30, 2003		<u>(39,012.09)</u>
Total Net Assets at June 30, 2003 - Governmental Funds		<u>\$274,737.41</u>

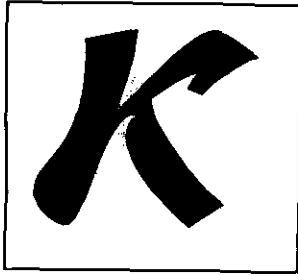
**GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA**

**COMBINING BALANCE SHEET - FIDUCIARY FUND TYPE
June 30, 2004**

	ADVANCE DEPOSIT FUND	AGENCY FUNDS REGISTRY OF COURT FUND	CHILD SUPPORT FUND	TOTAL
<u>ASSETS</u>				
Cash and cash equivalents	\$ 643,276.25	\$ 226,214.53	\$ 6,428.18	\$ 875,918.96
Other receivables	-	-	1,452.00	1,452.00
Due from other funds	6,343.04	2,522.03	163.10	9,028.17
Total Assets	<u>\$ 649,619.29</u>	<u>\$ 228,736.56</u>	<u>\$ 8,043.28</u>	<u>\$ 886,399.13</u>
<u>LIABILITIES</u>				
Due to other funds	\$ 2,628.50	\$ 5,000.00	\$ 1,173.00	\$ 8,801.50
Other liabilities	-	-	170.00	170.00
Unsettled deposits	646,990.79	233,736.56	6,700.28	887,427.63
Total Liabilities	<u>\$ 649,619.29</u>	<u>\$ 238,736.56</u>	<u>\$ 8,043.28</u>	<u>\$ 896,399.13</u>

**SCHEDULE OF CHANGES IN UNSETTLED DEPOSITS - FIDUCIARY FUND TYPE
YEAR ENDED JUNE 30, 2004**

	ADVANCE DEPOSIT FUND	AGENCY FUNDS REGISTRY OF COURT FUND	CHILD SUPPORT FUND	TOTAL
<u>UNSETTLED DEPOSITS JUNE 30, 2003</u>	<u>\$ 573,337.33</u>	<u>\$ 193,992.57</u>	<u>\$ 3,003.60</u>	<u>\$ 770,333.50</u>
<u>ADDITIONS</u>				
Suits and successions	\$ 380,159.16	\$ 65,486.34	\$ 20,815.80	\$ 466,461.30
Interest earned	5,465.72	2,649.68	-	8,115.40
Total additions	-	-	-	-
Total	<u>\$ 958,962.21</u>	<u>\$ 262,128.59</u>	<u>\$ 23,819.40</u>	<u>\$ 1,244,910.20</u>
<u>REDUCTIONS</u>				
Clerk's fees	\$ 243,892.06	\$ -	\$ 15,029.12	\$ 258,921.18
Sheriff's fees	20,436.64	-	2,090.00	22,526.64
Other reductions	47,642.72	38,392.03	-	86,034.75
Total reductions	<u>\$ 311,971.42</u>	<u>\$ 38,392.03</u>	<u>\$ 17,119.12</u>	<u>\$ 367,482.57</u>
<u>UNSETTLED DEPOSITS JUNE 30, 2004</u>	<u>\$ 646,990.79</u>	<u>\$ 223,736.56</u>	<u>\$ 6,700.28</u>	<u>\$ 877,427.63</u>



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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To The Board of Commissioners
GRANT PARISH CLERK OF COURT
Colfax, Louisiana

I have audited the basic financial statements of the GRANT PARISH CLERK OF COURT, as of and for the year ended June 30, 2004, and have issued my report thereon dated February 17, 2005. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the GRANT PARISH CLERK OF COURT's basic financial statements are free of material misstatements, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Reporting

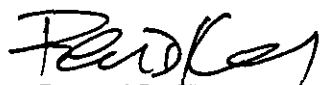
In planning and performing my audit, I considered the GRANT PARISH CLERK OF COURT's internal control over general purpose financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions.

Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the GRANT PARISH CLERK OF COURT's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

The reportable conditions are described in the accompanying schedule of findings and questioned costs as item 2004-1 & 2004-02.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe items 2004-1 & 2004-02 of the reportable conditions described above are material weakness.

This report is intended for the information of management, and federal awarding agencies and pass-through entities.



Roland D. Kraushaar
Certified Public Accountant
February 17, 2005.

GRANT PARISH CLERK OF COURT
COLFAX, LOUISIANA

SCHEDULE OF FINDINGS, QUESTIONED COSTS
AND CORRECTIVE ACTION

Year Ended June 30, 2004

<u>FUND INVOLVED</u>	<u>FINDINGS</u>	<u>COST</u>
All Funds	2004-1 <u>Inadequate Segregation of Duties</u>	N/A

Finding:

Due to the small number of accounting employees, the Clerk did not have adequate segregation of functions within the accounting system.

Recommendation:

Based upon the size of the accounting operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Response and/or Corrective Action:

No response and/or corrective action necessary.

2004-2 Late Submission of Audit

Timely audits must be submitted within six months to the Louisiana Legislative Auditors Office. This report was completed six weeks beyond that time. In September of 2004 the Clerk's computer system was struck by lightning destroying the hard drives and all Civil, Criminal and Financial records. Due to a design flaw, the backup system was inadequate and failed to completely backup all files - particularly the financial records. Priority was given to restoring and rebuilding the Criminal and Civil records.

Response and/or Corrective Action:

The backup system has been redesigned and now adequately covers all Civil, Criminal and Financial records.